

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	71443	Agenda Number	43.
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Meeting Date:	June 15, 2017
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Department:	Purchasing
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Subject

Authorize negotiation and execution of a 35-month contract through National Intergovernmental Purchasing Alliance Company cooperative purchasing program with AUTOZONE PARTS, INC., to provide automotive batteries and repair parts, in an estimated amount of \$1,743,000, with two 12-month extension options in an estimated amount of \$581,000 per extension option, for a total contract amount not to exceed \$2,905,000. Related to Item # 42.

Amount and Source of Funding

Funding in the amount of \$189,200 is available in the Fiscal Year 2016-2017 Operating Budget of Fleet Services. Funding in the amount of \$10,000 is available in the Fiscal Year 2016-2017 Operating Budget of the Aviation Department. Funding for the remaining 32 months of the original contract period and extension options are contingent upon available funding in future budgets.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	Multiple cooperative purchase programs were reviewed for these goods. The Purchasing Office has determined this contractor best meets the needs of the departments to provide the goods required at the best value for the City. The recommended contractor is the current provider for these goods.
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Prior Council Action:	
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For More Information:	Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@ austintexas.gov or to the buyer, Marian Moore, at 512-974-2062 or Marian.Moore@ austintexas.gov
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Boards and Commission Action:	
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Related Items:	
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MBE / WBE:	This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this procurement, there were no subcontracting
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opportunities; therefore, no subcontracting goals were established.

Additional Backup Information

The contract will provide automotive batteries and parts for vehicles and equipment owned and operated by the City. The batteries and parts will be purchased on an as-needed basis for preventative maintenance and repairs.

National Intergovernmental Purchasing Alliance Company cooperative establishes competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

The contract will replace the current contract, which will expire June 30, 2017. The requested authorization amounts for the contract were determined by using departmental estimates based on historical spend. Over the past five years, the City has spent up to \$451,122 annually on the current contract. A small growth in the annual authorization amounts were factored in to account for increased repairs needed with aging vehicles and equipment as well as future acquisitions.

The contract is necessary to supply Aviation and Fleet Service Centers with a reliable and continuous supply of automotive batteries and parts, which will minimize delays in maintenance and repairs for vehicles and equipment. If the City is unable to secure a contract, the departments will be forced to procure these automotive batteries and parts on an as needed basis, which may result in higher prices and additional operational costs.

AUTOZONE PARTS, INC.				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	35	\$ 1,743,000	n/a	n/a
Extension Option 1	12	\$ 581,000	n/a	n/a
Extension Option 2	12	\$ 581,000	n/a	n/a
TOTAL	59	\$ 2,905,000	\$ -	\$ -